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IN THE

Supreme Court of the United States

OCTOBER TERM, 1951

No. 703

STUART LABORATORIES, INC. and WILLIAM B. HUGLE,

Petitioners,

against

UNION CARBIDE AND CARBON CORPORATION,

Respondent.

Motion

Now come the petitioners above-named by their counsel and move for leave to have their petition for certiorari considered upon the certified transcript of record, the original record and exhibits, without being required to print the same, and show to the Court in support of their motion as follows:

The petitioner Stuart Laboratories, Inc. is in a bankrupt condition; the individual petitioner William B. Hugle has no assets of any substantial value. He has a wife and two small children. He is twenty-four years old and has been working for a small weekly salary as an employee in scientific research. For about two years, from the latter part of 1949, he was a vice-president of Stuart Laboratories, Inc. at a salary of from fifty to seventy-five dollars a week. When he left the Company, it owed him for many months back wages.

The bankrupt condition of the petitioner corporation came about through the action of the respondent The

Linde Air Products Company, now Union Carbide and Carbon Corporation, whose assets are over a billion dollars and whose net profits have recently been in the neighborhood of one hundred million dollars a year.

In March, 1950, the respondent served infringement notices upon the petitioners and upon their distributors. In addition to this suit, it commenced an infringement suit against petitioners' principal distributor in the United States District Court for the Southern District of New York. Thereafter, such distributors refused to sell the products of the corporate petitioner, which products consisted of star rubies and star sapphires, causing the Company's financial condition to go from bad to worse. Aside from its machinery, equipment and building, the Company did not have any property. It had no liquid assets with which to meet running expenses. It had given a chattel mortgage upon its machinery, equipment and building, which soon became in default. The only reason that it is not in bankruptcy is that it has not been worthwhile for any creditor to take action.

The Court is respectfully referred to our motion for leave to file typewritten brief and appendices in the record certified by the Court of Appeals, which was accompanied by an affidavit of William B. Hugle setting forth the foregoing facts and others.

By reason of the foregoing facts, both petitioners are completely unable to pay for the printing of the record, in which our appendix containing testimony consists of five or six hundred pages. The non-physical exhibits are contained in our appendices in photostatic form, and their printing if required, would be very expensive. In addition there are the proceedings in the Court of Appeals. Moreover, some of the most important exhibits in the case are physical exhibits consisting of gem stones and models which cannot be typographically reproduced.

It is believed that the Court can conveniently consider our petition for certiorari on the typewritten record and exhibits because the questions presented are clearly supported by the express admissions of respondent's witnesses and employees, coupled with the admitted acts of respondent (Petition, pp. 9-10, in particular), and petitioners' statements in respect thereto, together with the quotations from the testimony, can very easily be checked from the typewritten record. Only a very small part of this record is, in fact, necessary for this Court to consider upon our petition.

Questions of the greatest importance to the public, as well as to petitioner, are involved in our petition. Unless this motion is granted, petitioners will be unable to press them.

It is further respectfully requested that the service required by Rule 38, Sub. 3, be directed to be made by serving a copy of the petition and a list of all of the papers contained in the record certified to this Court by the Court of Appeals, instead of the printed papers themselves, all of which papers respondent has copies of.

CONCLUSION

It is respectfully prayed that this motion be granted in all respects.

Dated: April 10, 1952.

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IN THE

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October Term, 1951

No. 703

STUART LABORATORIES, INC. and WILLIAM B. HUGLE,
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—against—

UNION CARBIDE AND CARBON CORPORATION,
Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

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To The Honorable the Chief Justice of the United States and the Associate Justices of the Supreme Court of the United States:

Petitioners above-named respectfully pray that a writ of certiorari be issued to review and reverse the judgment of the Court of Appeals for the Third Circuit (No. 10546 in the said Court), which affirmed a judgment of the United States District Court for the District of New Jersey which held valid and infringed all of the nineteen claims of a patent owned by the respondent.

OPINIONS BELOW

The opinion of the District Court is reported in 97 Fed. Supp. 213. The opinion of the Court of Appeals is not yet reported.

JURISDICTION

The judgment of the Court of Appeals was entered on February 20, 1952. Petition for rehearing was denied March 18, 1952. The jurisdiction of this Court is invoked under Secs. 1254 and 2101 of the Revised Judicial Code of June 25, 1948, C. 646, 62 Stat. 928, 961; 28 U. S. C. A., Secs. 1254 and 2101.

QUESTIONS PRESENTED

1. When applicants for a patent on a process claimed to produce a salable product have deliberately omitted from their disclosure a procedure which admittedly will "tremendously increase the yield" of the product and improve the quality thereof, is the disclosure sufficient?

2. When applicants for a patent on a process claimed to produce a salable product concede that they have deliberately omitted from their disclosure, and have claimed as a trade secret, a procedure which they admit must be used commercially, and that they have used continuously in commercial operations from a time prior to the filing date of the patent, and must use in order to make money, is the disclosure sufficient?

3. May such a patent be enforced when the monopoly of the patent has been combined with trade secrets claimed by the patentee, and which are essential to commercial operations?

4. Does one infringe, who applies only the omitted procedure of question number one, which is admittedly old, to the treatment of a particular composition of matter, recommended but not specified as critical in the disclosure, and composed of the same ingredients in substantially the same proportions as used by others for many years prior to the application for the patent?

STATEMENT

Respondent Union Carbide and Carbon Corporation (hereinafter sometimes called "Union Carbide") sued petitioners in the United States District Court for the District of New Jersey, alleging infringement of a patent owned by respondent, containing 19 claims, some process and some product (P. Ex. 1, P. App.). All were held valid and infringed. The Court of Appeals for the Third Circuit affirmed the judgment without modification.

In a second cause of action respondent asked an injunction against an alleged appropriation of trade secrets, most of which were concededly known on the filing date and claimed as trade secrets because useful in improving the efficiency of the process (Tr. 528-9, 687, original transcript, 432-3, 421-3, 426, 644-6, and citations given in discussion of 90° orientation, *post*), but were not disclosed in the patent. This second cause of action was tried, but has not been passed upon.

Petitioners have a counterclaim pending based upon the claim that respondent drove them out of business and bankrupted them by infringement notices to their distributors and a suit against their main distributor, actions alleged to have been taken by respondent with knowledge or good reason to know that its patent was invalid for insufficient disclosure.

(a) The Facts

The patent discloses a process by means of which it is claimed that *gem quality* star rubies and sapphires (P. Ex. 1, Cls. 8-15, 19) can be produced. These products are likewise claimed as inventive.

As originally filed, the application sought to obtain a patent for star rubies and sapphires, displaying asteriation, without specifying that the products must be of gem quality. In the course of the prosecution of the application, the product claims were limited by the use of the phrase "gem quality, *i.e.*, to claim salable star stones.

Respondent's exclusive distributor testified flatly that this restriction excluded all star stones in which the six-rayed star was incomplete or eccentrically located, *i.e.*, not properly centered (Tr. 910-913, Dfs'. Ex. 25, D. App.). *Salable* star rubies and star sapphires were apparently novel at the time the patent was applied for. The evidence was in conflict as to the existence, prior to the application for the patent in suit, of asteriated corundum stones. It was not disputed that asteriated stones of the related material, spinel, were then known (Dfs'. Ex. 90, Tr. 1604). *Petitioners are found to have infringed through employing a heating process which both Courts below explicitly held to be old* (Opinion, Ct. of Appeals, p. 6). This heating process was applied to a composition of matter *recommended but not specified as critical in the disclosure,* and which varied but little in the proportion of ingredients from a composition of matter which was standard in the art (P. Ex. 1, col. 2, line 49; P. Ex. 5, p. 2, line 8, P. App.)

In view of the foregoing, the question which immediately arises is how a novel product could be produced by the application of the old process to an old composition of

matter. The answer, we contend, lies in a completely insufficient disclosure with relation to the process.

The description contained in the next two paragraphs of the basic process, can not be disputed:

Since the early part of the 20th Century, colored boules (carrot-shaped) of corundum (fused alumina or aluminum oxide) had been made according to the so-called Verneuil process, the subject of two United States patents taken out at that time (P. Exs. 5 and 6, P. App.). This process, in brief, consists of tapping powdered aluminum oxide, containing a very small amount of a colorant such as titanium dioxide (Ti02), through a sieve on to a refractory support and playing an oxyhydrogen flame thereon. This melts the aluminum oxide, and, as the support is gradually lowered, a carrot-shaped boule is built up. The temperature of this oxyhydrogen flame is around 2000° C.

The boule consists of a single crystal. The direction in which it grows, to wit, upwards, is called the growth axis. The main crystallographic axis of the crystal which may be conceived of as being like a hexagonal steel bar with hexagonal pyramids at both ends, is known as the C-axis. The relation between these two axes is known as the orientation of the crystal. In other words, if the axes are at right angles, there would be a 90° orientation. If they coincide, there would be a 0° orientation.

All corundum boules, if jarred or tapped, will split along the plane defined by the growth axis and the C-axis, into half-boules (P. Ex. 73, p. 513; D. Ex. 97, p. 401). Up until the time of the advent of the star stone, corundum half-boules were regularly employed for the production of corundum crystals used as bearings in industry.

The star boule, however, is another matter. As explicitly pointed out (Col. 3, lines 10-22) in the patent, it has a *skin* in which the titanium dioxide, which is the star-producing material, is concentrated. Where the skin stops the star stops (D. Ex. 18, D. App., p. 453). Only a very small amount of this titanium dioxide is used. The patent suggests, *but it does not specify* as critical in the disclosure, from one-tenth to three-tenths of one per cent (Col. 2, lines 49-53) *for best results.* In Verneuil's patents, he specifies five-tenths of one per cent of titanium dioxide for the making of a blue boule (P. Exs. 5 and 6). Thus, alumina powders containing a few tenths of one per cent of titanium dioxide were standard in the Verneuil practice. The difference between .3 of 1% and .5 of 1% is of no consequence because in the heating some at least of the Ti02 admittedly burns out and what remains in the boule after the heating is the important thing (Tr. 501-3, 544-6).

In making star boules, it is essential to prevent them from splitting in half, although there is not a word in the patent to this effect. The reason is that nothing but a partial and eccentrically located star can be obtained from a half-boule, and this, as we have shown, is concededly unsalable.

The models in evidence (D. Exs. 31, 34, 43, 44 and 40) exhibit and demonstrate the simple geometry of the situation, *i.e.*, that, with the skin boules of the patent, it is impossible to get the skin in the right place so as to have a complete six-rayed centered star, when using a half-boule. The patent prescribes that the stone must be so cut that its base is parallel to the C-axis. This places the skin in the base or crown of the stone where it must be, as the patent notes (P. Ex. 1, Col. 3, lines 23-31).

Boules can be prevented from splitting by annealing them, that is, heating them somewhat short of the melting temperature of alumina, which is 2000°C., that is around 1800°C. So well did the respondent know this that it had applied for a patent on annealing plain corundum boules, long before it filed the application for the patent in suit (D. Ex. 99, D. App.).

By the use of a small corundum crystal of known orientation, which is called a seed, the orientation of the boule being grown can be controlled. Unless 90° orientation is obtained in a boule, as the above-mentioned models demonstrate as a matter of simple geometry, the star is found to be incomplete and eccentrically located, *i.e., not* centered, thus making the stone unsalable, as before noted.

With the refractory or ceramic support which is specified in the patent, boules admittedly tend to have an orientation around 60°, the orientation not being predictable unless a seed is used. All sorts of orientations are thus obtained when no seed is used. It is possible, of course, that one might be lucky enough to obtain a 90° oriented boule without the use of a seed, but this would be a matter of pure chance (Tr. 785, original transcript, 1455).

Respondent knew all about the importance of seeding because it had filed a patent application therefor long before filing for the patent in suit (D. Ex. 100, D. App.).

Despite their obvious importance, then well-known to respondent, the patent makes no mention of either the annealing or 90° orientation techniques.

A year or two after its application for the patent in suit was filed, respondent discovered a method (Tr. 1204-5, 118, original transcript, 801-2, 1294-7, 556, 568-9, 634-6,

854) by which it could distribute titanium dioxide throughout the boule, as distinguished from having it concentrated in the skin, *the latter being the only kind of boule described in the patent.* This method was called pressure variation, and plaintiff applied for a patent thereon, as stated by counsel during the trial (original transcript, p. 571). Unquestionably, if one uses pressure variation, there is no necessity of annealing the boule or employing 90° orientation. This, however, in no way aids respondent in upholding the validity of the patent in suit.

When the sufficiency of its disclosure was questioned at the trial, respondent refused several formal offers of laboratory facilities (original transcript, 1045-7, 1472) to demonstrate that its patent would work in producing star stones of gem quality. Instead, it chose to rely upon the testimony of its employees that the patent would work, not even producing any records of tests made prior to the commencement of its infringement suit to establish this. Shortly prior to the trial, it conducted some tests, using a very special type of burner (D. Ex. 110, D. App) which our witnesses testified produced an effect similar to that of pressure variation (Tr. 1665). The star stones obtained in this carefully rigged test were very poor specimens, cracked and obviously unsalable. This exhibit may be compared with the stones which respondent regularly sells, and the Court will see clearly that these are miserable specimens, full of cracks which are revealed by a magnifying glass if not the naked eye (compare P. Exs. 22 and 2 with P. Ex. 64). As a caveat, we point out that the photograph of these specimens (P. Ex. 65, P. App) is very successful in concealing these defects.

The Swiss have practiced the Verneuil procedure for nearly half a century and are admittedly highly skilled

therein. A representative of one of the leading Swiss companies, "Djeva", testified flatly that the patent was unworkable (Tr. 1350-4, 1357-8, 1380-3, original transcript, 1388, 1367-8). Defendants spent $75,000.00 and took a year to make salable star stones, although they knew at first hand the process outlined in the patent (Tr. 1632-3).

There are plainly vital omissions from respondent's patent, essential to commercial success, even if it be assumed (contrary to our contention) that the process will barely succeed in producing stones with a star in them. For present purposes, we confine ourselves to the two outstanding omissions from respondent's patent, annealing and 90° orientation, although respondent claims at least a score of other trade secrets (D. Ex. 63, D. App.) auxiliary to the patent. These two techniques are, in fact, the gist of respondent's discovery. Through them, and them alone, it has been able to make commercially "gem quality" star stones from boules having a "skin", as described in its patent.

Annealing

Respondent's expert, Burdick, a full-time employee, and one of the two joint applicants for the patent, testified unequivocally that annealing was "very important commercially" since it would *"increase tremendously the yield of stones per boule"* and "improve the quality" (Tr. 112-113).

The advantages of annealing were admittedly well-known to the applicants at the time the application for patent was filed (August 27, 1947), since Rehm, respondent's employee in charge of its boule-growing since 1946, testified that they had annealed their star boule as long as he had been there (original transcript, 505, 525). Burdick

testified that it was respondent's practice to anneal in 1946 (Tr. 119). Rehm said that at the time the patent application was filed, they annealed nearly all of their star boules (Tr. 593). Today they anneal 100 per cent of their star boules in commercial production, as Burdick categorically admitted (Tr. 116-117). An idea record of Burdick's dated January 13, 1947 (D. Ex. 93, D. App.) categorically stated that it was necessary to use annealed boule for best results.

90° Orientation

Rehm testified that in respondent's commercial production in 1947 and 1948 it "almost invariably" used 90° orientation (Tr. 562, 590-1). Burdick testified "if we make money on it, it will be because we orient it" (Tr. 115) .

In the pre-application notebook (D. Ex. 106) of Glenn (a co-applicant) it is noted that boules not grown at 90° orientation are "no good". Burdick recognized this fully in his idea record of January 13, 1947 (six months before the patent application), when he said that skin boules "should be grown with a 90° C-axis", and gave the same reason we have given (D. Ex. 92, D. App.). In a patent memorandum (D. Ex. 24, D. App.) on page 2, the patent applicants in January, 1947, said "we prefer to grow boules where the C-axis is at 90° to the growth axis".

REASONS FOR GRANTING THE WRIT

(a) Insufficiency of Disclosure (Questions Nos. 1 and 2).

The basic requirement of U. S. R. S. 4888 (Sec. 33 of Title 35, U. S. C.) is that the disclosure must describe the invention in such "*full*, clear, concise and exact terms" as to enable any person skilled in the art to practice the invention.

Nothing, assuredly, can be more fundamental to the patent system than the proposition that the patentee, in

return for the 17-year monopoly accorded him, must disclose all that is essential to permit the public to effectively compete with him after the expiration of the monopoly. Certainly no such competition is possible if the patentee has held back elements essential to commercial success, assuming the patent is barely operative without them.

If such patentee is unable to disclose more that he does, and hence presents only a crudely operating device, he has, of course, done his duty. Telephone Cases, 126 U. S. 1; *Hildreth* v. *Mastoras,* 257 U. S. 27.

Per contra, however, if he knows how to make his patent work well and produce a large yield of quality product, yet tells only enough to get a low yield of a poor product.

The District Court, just prior to discussing infringement in its opinion, definitely held that annealing and 90° orientation were improvements. They were admittedly known and habitually used commercially by respondent prior to the time of the application for the patent in suit, as above shown. Their great value is admitted.

On page 8 of its opinion, the Court says:

> "Defendants argue, alternatively that even if annealing and 90° orientation are not vitally essential to the production of gem quality stones, they are nevertheless highly important steps and result in greatly increased productive efficiency. Defendants urge that full disclosure under R. S. §4888 means not merely the revealing of bare essentials but the disclosure by the patentee of the best methods then known to him. See *Stelos Co.* v. *Hosiery Motor-Mend Corp.,* 60 Fed. 2d 1009, 1011 (D. C. N. Y., 1932). Footnote 5. *But see Sewall* v. *Jones,* 91 U. S. 171, 185-186 (1875)."

An exhaustive search of the cases has turned up no clearly authoritative American case decisive of the conflict thus indicated by the Court of Appeals.

This Court's decision in *Sewall* v. *Jones*, 91 U. S. 171, 185-6 (1875) contains a flat statement as follows:

> "The principle is this: the omission to mention in the specification something which contributes only to the degree of benefit, providing the apparatus would work beneficially and be worth adopting without it, is not fatal, while the omission of what is known to be necessary to the enjoyment of the invention is fatal."

While this appears to be dictum because the best method was explicitly recommended in the specification, and the question was whether one infringed who did not use the recommended (but unspecified) method, the Court of Appeals evidently felt it to be the law. Otherwise it could not have reached the result it did in view of the clear admissions of respondent and its commercial usage. Between this situation and our case, moreover, there is the difference that the most that can be assumed of our patent is that it is barely operative, but is not worth adopting without the omitted elements.

Apparently opposed to this dictum in *Sewall* v. *Jones*, *supra*, are *Rohm* v. *Martin Dennis Co.*, 263 Fed. 388 (C. C. A. 3rd, 1920) and *Featheredge Rubber Co.* v. *Miller Rubber Co.*, 259 Fed. 2d 565 (C. C. A. 6th, 1919).

Since this Court has been applying stricter standards to patent validity, the temptation to omit essential elements from patent disclosures, and to claim them, if possible, as trade secrets, has plainly increased. In this way, through what is known in patent circles as "know-how",

one can eat one's cake and have it too, *i.e.*, can have a patent monopoly for 17 years, and, after the expiration thereof, be free for an indefinite period from effective competition. In this case, for example, orientation control and 90° orientation were claimed as trade secrets (D. Ex. 63, items 22 and 23) and not disclosed in the patent, though clearly essential for a competitor to know about. Nothing in the patent law, we submit, can be more vital than the principle for which we contend.

On a matter of this great importance, therefore, it is respectfully submitted that this Court should lay down the law clearly and emphatically, so that it cannot be contended in the future that there is any doubt about the principle. It has, so far as we can ascertain, not heretofore done so.

The law as we contend it should be is exemplified by the following cases:

In *Stelos Co.* v. *Hosiery Motor-Mend Corporation*, 60 Fed. (2d) 1009 at page 1011 (S. D. N. Y.), Judge Woolsey, in holding a patent invalid *inter alia* for insufficient disclosure, referred to a number of English cases contained in 1 Webster Patent Cases to support the self-evident proposition that applicant for a patent cannot hold back anything advantageous which he knows. He quotes Baron Alderson in *Morgan* v. *Seaward*, 1 Webster 170, 174 as saying:

> "If a patentee is acquainted with any particular mode by which his invention may be most conveniently carried into effect, he ought to state it in his specifications."

Four other cases from the same publication, which is a collection of English patent cases from 1601 to 1843, are cited by Judge Woolsey for the proposition that

> "*The public is entitled to all the knowledge which the inventor has in regard to his invention,* and if a process can be achieved both by an expensive and a cheap element, the patentee must disclose the cheap element as well as the expensive element, *so that the public may have the same advantage after his monopoly ceases as the patentee had during the monopoly period. Turner* v. *Winter,* 1 Webster 77, 81; *Wood* v. *Zimmer,* 1 Webster 82; *Savory* v. *Price,* 1 Webster 83; *Sturtz* v. *De la Rue,* 1 Webster 83."

In *Turner* v. *Winter, supra,* at page 81, the court said:

> "So if he make the article for which the patent is granted with cheaper materials than those which he has enumerated, although the latter will answer the purpose equally well, the patent is void, because he does not put the public in possession of his invention, or enable them to derive the same benefit which he himself does."

At page 82 it said:

> "In a case before Lord Mansfield (*ante,* 53), for infringing a patent for steel trusses, it appeared that the patentees, in tempering the steel, rubbed it with tallow, *which was of some use in the operation;* and because this was omitted, the specification was held to be insufficient, and the patent was avoided." (Emphasis ours.)

Wood v. *Zimmer,* 1 Webster 82, was an action to try the validity of Zinck's patent for "a method of making verdigris". It appeared that the method described in the specification was sufficient to make the verdigris; but that Zinck had been accustomed clandestinely to put *aqua*

fortis into the boiler whereby one of the ingredients, copper, was dissolved more rapidly; but the verdigris so produced was neither better nor cheaper than that made according to the specification. The Court said:

> "It is said that the method described makes verdigris and that the specification is therefore sufficient."

The law is not so: a man who applies for a patent who possesses a mode for carrying on that invention in the most beneficial manner, must disclose the means of producing it in equal perfection, and with as little expense and labor as it costs the inventor himself. The price that he pays for the patent is, that he will enable the public at the expiration of the privilege to make it in the same way and with the same advantages. If anything that gives an advantageous operation to the invention be concealed, the specification is void. Now, though the specification should enable a person to make verdigris substantially as good without *aqua fortis* as with it, still, inasmuch as it would be made with more labor by the omission of *aqua fortis*, it is a prejudicial concealment, and a breach of the terms which the patentee made with the public.

In *Savory* v. *Price*, 1 Webster 83, the Court said:

> "It is the duty of a patentee to specify the plainest and most easy way of producing that for which the patent is granted, and to make the public acquainted with the mode which he himself adopts. By reading the specification, we are led to suppose a laborious process necessary to the production of the ingredients, when in fact, one might go to any chemist's shop and buy the things ready made. The public are misled by the specification, which tends to make people believe that an elaborate process is essential to the invention; it cannot be supported."

Examination of Mew's Digest of English Case Law through 1950 makes it clear that no recent cases throw any doubt on the foregoing still being the law.

(b) Question No. 3.

This Question is closely connected with *Question No. 2.* The effect of tying a patent monopoly to trade secrets of large importance to successful commercial operation, is to prevent effective competition with the patentee after the patent has expired, and thus to bring about a failure of the consideration for which the patent was granted.

So far as we have been able to ascertain, no court, including this one, has ever clearly decided that a patent owner, thus protected *in perpetuo* from effective competition, may enforce his patent. We submit that he ought not to be allowed to do so, on the authority of *Mercoid Corp.* v. *Minneapolis Honeywell Regulator Co.,* 320 U. S. 680; *Morton Salt Co.* v. *Suppiger Co.,* 314 U. S. 488; *B. B. Chemical Co.* v. *Ellis,* 314 U. S. 495; *Mercoid Corp.* v. *Mid-Continent Invest Co.,* 320 U. S. 661.

(c) Question No. 4—Infringement.

We raise this question because we believe that it is sufficiently important, in connection with the law respecting patents on the combination of old elements, to warrant this Court, in the exercise of its supervisory power over the lower courts, to reverse a palpably erroneous holding which may be wrongly taken as pointing the way to the validation of many invalid patents.

On the infringement issue the District Court found that if annealing, found by it to be old, was practiced, it could not as a practical matter be practiced in any other way than petitioners did, *i.e.,* that the cooling through the range

prescribed in the patent, and remaining therein for a number of hours, was inevitable (Finding of Fact 28).

It follows that infringement must be predicated upon a combination of annealing with a particular composition of matter. Respondent seeks to set up such a combination by referring to "critical amounts" of titania. Unfortunately for it, no critical amounts have been specified. All that the disclosure contains is a *recommendation* (col. 2, lines 49-53). As held in *Sewall* v. *Jones*, 91 U. S. 171, 186, this is not part of the specification. We submit, therefore, that a patent predicated on such a combination is invalid.

CONCLUSION

It is respectfully prayed that this petition for a writ of certiorari be granted.

Dated: April 10, 1952.

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Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT.

BRIEF FOR RESPONDENT IN OPPOSITION

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1951.

No. 703.

STUART LABORATORIES, INC. and
WILLIAM B. HUGLE,

Petitioners,

vs.

UNION CARBIDE AND CARBON CORPORATION,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

BRIEF FOR RESPONDENT IN OPPOSITION

OPINIONS BELOW

The opinion of the United States District Court for the District of New Jersey is reported at 97 F. Supp. 713. The opinion of the Court of Appeals for the Third Circuit is reported in 194 F. (2d) 823.[1]

JURISDICTION

Petitioners have invoked the jurisdiction of this Court under Sections 1254 and 2101 of the Judicial Code.

[1] These Opinions and the Findings of Fact are reproduced in a printed book "Court Decisions" submitted herewith for the convenience of the Court in making reference thereto.

QUESTIONS PRESENTED ARE NOT WARRANTED BY THE FACTS

Since the questions proffered in the petition are premised upon assumptions diametrically opposed to the facts as found by the District Court, and unanimously concurred in by the Court of Appeals, the questions do not present any issues of law which may properly be considered here.

PETITIONERS' STATEMENT

Petitioners' Statement of Facts presents the case as though this were the Trial Court. The statement argues the facts, ignores the concurrent Findings of the Courts below, and is based on what the petitioners failed to prove in the District Court. It is such unfounded assertions which bottom the questions presented to this Court.

STATUTES INVOLVED

The statutes followed by the District Court and Appellate Court are the following:

> 35 U.S.C. 33; R.S. 4888, as amended. "Application for patent; description; specification and claim
>
> "Before any inventor or discoverer shall receive a patent for his invention or discovery he shall make application therefor, in writing, to the Commissioner of Patents, and shall file in the Patent Office a written description of the same, and of the manner and process of making, constructing, compounding, and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art or science to which it appertains, or with which it is most nearly connected, to make, construct, compound, and use the same; and in case of a machine, he shall explain the principle thereof, and the best mode in which he has contemplated applying that principle, so as to distinguish it from other inventions; and he shall particularly point out and distinctly claim the part, improvement, or combination which he claims

as his invention or discovery. The specification and claim shall be signed by the inventor. No plant patent shall be declared invalid on the ground of noncompliance with this section if the description is made as complete as is reasonably possible."

35 U.S.C. 69; R.S. 4920, as amended. "Pleading and proof in actions for infringement

"In any action for infringement the defendant may plead the general issue, and, having given notice in writing to the plaintiff or his attorney thirty days before, may prove on trial any one or more of the following special matters:

"First. That for the purpose of deceiving the public the description and specification filed by the patentee in the Patent Office was made to contain less than the whole truth relative to his invention or discovery, or more than is necessary to produce the desired effect; * * *."

STATEMENT OF THE CASE

This a patent suit based upon Burdick and Glenn patent No. 2,488,507, entitled "Synthetic Star Rubies and Star Sapphires and Process for Producing Same". The patent has been held valid and infringed by concurring findings of the District Court and Court of Appeals.

The original plaintiff in this suit was The Linde Air Products Company, assignee of the Burdick and Glenn patent (Finding of Fact No. 1, Ct. Dec. 7).[1] Following a merger of the plaintiff company with respondent Union Carbide and Carbon Corporation, the latter was substituted as party plaintiff by consent order (Ct. of Appeals, Footnote 1, Ct. Dec. 13). Respondent has two plants, at Chicago, Illinois and East Chicago, Indiana, respectively, devoted to the manufacture of synthetic ruby and sapphire, including synthetic star rubies and star sapphires (R. 187).

[1] Abbreviations and citations:
R. Original typewritten transcript of proceedings at trial.
Ct. Dec. Printed book of "Court Decisions" submitted herewith.

Petitioner Stuart Laboratories, Inc., of which petitioner, William B. Hugle, is vice-president, director, and operating manager, has its principal place of business in Fairlawn, New Jersey.

The relationship of these parties is set forth succinctly in the opinion of the Court of Appeals as follows:

> "Defendant Hugle was employed by plaintiff as plant chemist at its South Chicago plant at about the time several steps in the patented process were being carried out on a commercial scale. Hugle left plaintiff's employ in 1948 and was instrumental in organizing defendant Stuart Laboratories. Since its formation in 1949, Stuart's sole activity has been the production of star rubies and sapphires." (Footnote 2, Ct. Dec. 13; see Finding of Fact No. 16, Ct. Dec. 10).

Out of this former employment of Hugle arose the relationship of trust and confidence on which a second cause of action in this case is based. This cause of action was ordered separated (and is subject to respondent's right to present rebuttal evidence) pursuant to the provisions of Rule 42(b), F.R.C.P., pending decision on the patent issues. Also separated is the petitioners' counterclaim (R. 1274-1277).

Synthetic Star Rubies and Star Sapphires

Rubies and sapphires are composed primarily of aluminum oxide, known as alumina or corundum. They differ from each other only in small percentages of compounds which supply the color (Finding of Fact No. 23, Ct. Dec. 11). Natural rubies and sapphires have been used for many years as gemstones of value. Even more valuable are the rare natural star rubies and star sapphires which sell for as much as $1,000 per carat (Finding of Fact No. 4, Ct. Dec. 8).

Unstarred synthetic rubies and sapphires have been produced commercially from powdered alumina for over thirty years by the Verneuil process.[3] (Finding of Fact No. 4, Ct. Dec. 8). Their uses include many industrial appplications such as watch bearings, abrasion-resistant drawing dies, parts of electrical apparatus, as well as use as ornamental gems. Respondent became interested in the production of synthetic rubies and sapphires during the last war for use in defense production. Prior to that time, most synthetic rubies and sapphires were imported from Europe (Dist. Ct., Ct. Dec. 2).

Following a cutback in demand for synthetic ruby and sapphire after the last war, respondent cast about for new corundum products and cheaper ways of making ruby and sapphire to keep its defense production facilities in use. While engaged in finding simplified methods of coloring sapphire, the patentees Burdick and Glenn, employees of respondent, stumbled onto the discovery of synthesizing star rubies and star sapphires. In the more than 30 years of Verneuil history no one prior to the patentees had succeeded in unlocking the secret of synthesizing *star* rubies and *star* sapphires. This long period ensued in spite of the fact that the natural stones were highly prized and their synthesis the subject of intensive research (Findings of Fact Nos. 3, 4 and 6, Ct. Dec. 8; Ct. of Appeals, Ct. Dec. 14-15).

Petitioners depreciate the patentees' discovery, saying merely that "Salable star rubies and star sapphires were apparently novel at the time the patent was applied for" (Petition, p. 4). However, the District Court found that:

> "The patentees were the first people in this art successfully to synthesize star rubies and star sapphires." (Finding of Fact No. 3, Ct. Dec. 8).

[3] A brief description of the Verneuil process is found in the Opinion of the Court of Appeals (Ct. Dec. 14-15).

Indeed, the Trial Judge was so impressed with the achievement of Burdick and Glenn that he said at the trial:

> "I have been sitting in these cases a good many years and I have never seen anything in my life that comes so near to being a real, genuine invention, * * *" (R. 1713).

The published literature recognized the discovery as "startling" and even petitioners' counsel was moved to remark:

> "Mr. Grant: We don't contest that the achievement is sensational; I think it probably is." (R. 1713).

Summing up the record before it, the Court of Appeals said in its Opinion:

> "This invention, we feel, is a significant stride forward." (Ct. Dec. 17).

The Patent in Suit

The patentees, having uncovered the secret of making synthetic star rubies and star sapphires, "proceeded to verify the process and ascertain its critical limits" (Finding of Fact No. 6, Ct. Dec. 8). On August 27, 1947, they filed an application for patent on the star rubies and star sapphires (Finding of Fact No. 9, Ct. Dec. 9). Two claims selected by the Courts below as typical are set forth in the footnote.[4]

---

[4] "5. A process for developing asterism in massive nongranular single crystals of ruby and sapphire grown synthetically by Verneuil's procedure from an alumina powder containing as an essential ingredient 0.1% to 0.3% of TiO_2, said process comprising heating such a crystal at a temperature within the range between 1100° C. and 1500° C., and maintaining said crystal at a temperature within said range until titanium oxide precipitates out of solution." (Claim 5 of pat. in suit).

"19. A crystal resembling both in appearance and asterism, a natural star sapphire or ruby but composed of a synthesized mass of corundum and pigmenting material with included needle-like crystallites of a precipitated titanium compound oriented therein, the synthetic character of the crystal being detectable by curved growth lines which appear internally thereof as contrasted with the straight form of any growth lines which appear in the natural mineral crystals." (Claim 19 of pat. in suit).

Petitioners vigorously attacked in the proceedings below the sufficiency of the disclosure of the Burdick et al. patent. That it does in fact describe a process for successfully making synthetic star stones is the subject of a specific Finding of Fact by the Trial Court:

> "13. The description of the process in the patent in suit can be used successfully by a person skilled in the Verneuil art of boule growing to produce synthetic star rubies and sapphires of gem quality. No higher percentage of failures will be encountered in its use than is customarily encountered in making highly pigmented unstarred stones." (Finding of Fact No. 13, Ct. Dec. 9).
>
> "• • • the teachings of the patent are sufficient • • • to produce asterism • • • a profitable percentage of the product will be of gem quality." (Dist. Ct., Ct. Dec. 4-5).

Upon consideration of the operability of the disclosed method, the Court of Appeals concurred, saying:

> "• • • The finding that the description of the process in the patent is sufficient to enable a person skilled in the art to grow star rubies and sapphires successfully is supported by adequate evidence and should be sustained." (Ct. Dec. 20-21).

Included in the attack by petitioners on adequacy of the disclosure were two techniques known as "annealing" and "orientation control" (Dist. Ct., Ct. Dec. 5; Ct. of Appeals, Ct. Dec. 18). Annealing involves raising the ruby and sapphire crystals made by the Verneuil process to a high temperature to relieve internal strains and remove a tendency of the crystal to split, much as iron and steel are annealed (Dist. Ct., Ct. Dec. 5; Ct. of Appeals, Ct. Dec. 18). Orientation control refers to growing ruby or sapphire crystal in such a way as to control the direction of the optical properties of the

crystal in relation to the direction of growth (Finding of Fact No. 25, Ct. Dec. 12; Ct. of Appeals, Ct. Dec. 18). Both are old in the art (R. 77, 1009-10, Pltf. Exh. 71, Deft. Exh. 109).

In support of their arguments, petitioners relied largely on geometric models and theoretical testimony. These were expressly found inapt by the Trial Court because they are premised on false presumption rather than fact (Dist. Ct., Ct. Dec. 5).

In addition these two procedures were found unnecessary by both Courts below to the profitable production of synthetic star rubies and star sapphires, if the disclosure in the patent is followed (Finding of Fact No. 13, Ct. Dec. 9; Ct. of Appeals, Ct. Dec. 20). As stated by the District Court:

> "The conclusion, therefore, is reached * * * that the teachings of the patent are sufficient * * * to produce asterism in these gems * * * and that a profitable percentage of the product will be of gem quality." (Ct. Dec. 4).

Alternatively, petitioners argued below the subjective point that, nevertheless, annealing and 90° orientation were known by the patentees to be highly important steps commercially and were deliberately omitted from the patent. Both lower Courts found to the contrary (Finding of Fact No. 14, Ct. Dec. 10; Ct. of Appeals, Ct. Dec. 21).

Annealing and orientation control were old in the art of boule-growing (R. 77, 118-9, 956-7, 1009, 1389; Pltf. Exh. 71, Deft. Exh. 109). The inventors did consider their applicability to the patented process. Testimony and exhibits presented by respondent show that 90° orientation control was of "very questionable importance, very questionable" (R. 115), and that annealing was not known to be worthwhile at the time the application was filed (R. 1503, 1504; Ct. of Appeals, Ct. Dec. 21).

Consequently the Trial Court found on this issue as follows:

> "14. The inventors disclosed all of what they believed to be the essentials of their process. There was no fraudulent withholding of information." (Finding of Fact No. 14, Ct. Dec. 10);

and specifically as to annealing:

> "15. Annealing [illegible] boules (heating to a temperature which is short of fusion to relieve strains) is not essential to the production of gem quality star stones. It is used by the plaintiff in its commercial production and no doubt contributes to lowering the cost of production. But it is not essential and, indeed, at the time of applying for patent was not determined to be a preferable procedure. * * *" (Finding of Fact No. 15, Ct. Dec. 10).

The Court of Appeals reviewing the record of the case on this point found:

> "While there is evidence that annealing and 90° orientation were considered desirable, inventor Burdick testified that at the time of the patent application, the wisdom of both annealing and 90° orientation was seriously questioned.
>
> "On the basis of this evidence, the trial court made a specific finding that at the time of the patent application, it was not determined that annealing was a preferable procedure.
>
> "It also found generally that there was no fraudulent withholding of information. This finding, we believe, was made in the light of R.S. § 4920 and thus constitutes a finding that the patentees disclosed 'the whole truth relative to [their] invention.'" (Ct. Dec. 21-22).

Infringement

Petitioner Hugle learned the chemical formulae for the powder used in making synthetic star rubies and star sapphires from instructions given him as plant chemist at respondent's South Chicago plant (R. 208-209, 251). The heat-treating step was carried out in the same laboratory room in which he worked (pp. 267-268, 324). Some ten months before the patent issued and the process made public, he was instrumental in setting up petitioner Stuart Laboratories solely for the purpose of making synthetic star rubies and star sapphires.

Not contested here or below is the fact that petitioners' synthetic star rubies and star sapphires are the same stones defined by the article claims of the patent in suit. Petitioners' attack here, as it was in both Courts below, is upon the infringement of the process claims of the patent.

Petitioners' process is set forth in the Findings of Fact of the District Court as follows:

> "20. In producing their star stones, defendants grow boules by the Verneuil process. In the powder used for growing such boules they employ from 0.1% to 0.3% titania." (Finding of Fact No. 20, Ct. Dec. 11).
>
> "21. Defendants subject the completed boules to a temperature of between 1500° C. and 1100° C. for a period of several hours, sufficient to precipitate the titania in the boule. * * *" (Finding of Fact No. 21, Ct. Dec. 11).

These findings apparently are not questioned.

The District Court held the claims to be infringed (Findings of Fact Nos. 19 and 22, Ct. Dec. 11).

Concurring in the holding of infringement, the Court of Appeals stated:

> "Finally, defendants contend that they have not infringed the patented process because they reheat their boules only incidentally as a part of an annealing cycle. • • • We believe there is sufficient evidence to support the trial court's finding of infringement. The law is clear that an addition to a patented process does not avert infringement, even where the addition is an improvement. 3 Walker on Patents p. 1737 (Deller's ed. 1937). Defendants infringed the patented process when they used the critical amounts of titania and operated within the temperature range of 1500° to 1100° C. long enough to precipitate the titania." (Ct. Dec. 23-24).

ARGUMENT.

Summary of Argument.

This is the usual patent case involving the issues of validity and infringement. It is unusual in only one aspect—all agree it involves patentable invention. Of the discovery of synthetic star rubies and star sapphires, the Court of Appeals said "a significant stride forward"; the District Court stated that it was "a real genuine invention"; experts in the gem trade termed it "startling"; petitioners' counsel after trial agreed that it was "a sensational achievement" (Ct. Dec. 17, R. 1713, Deft. Exh. 18, p. 452).

This is also a case in which the construction of the patent language is not in dispute in this Court. There is no dispute but that the teachings of the patent must be followed in order to make synthetic star rubies and star sapphires. Petitioners do contend, however, that still further steps must be employed for successful use. The Courts below found to the contrary.

In the following argument for respondent:

Point I will show that the questions presented by petitioners depend for their very existence on assumptions contrary to the Findings of Fact.

Point II will point out that what petitioners really seek is a trial *de novo* on the issues of adequacy of disclosure and infringement.

Point III will show that there is no conflict of decisions and that the Courts below applied the correct law.

Point IV will point out that no important question of federal law is involved.

I.

THE QUESTIONS PRESENTED BY PETITIONERS ARE PREMISED ON ASSUMPTIONS DIRECTLY CONTRARY TO THE CONCURRENT FINDINGS OF THE COURTS BELOW.

CONSEQUENTLY THERE ARE NO QUESTIONS BEFORE THIS COURT WHICH WARRANT THE GRANTING OF THE PETITION.

The Court is being asked to consider questions which are hypothetical, questions which are based upon assumptions contrary to the Findings of Fact found by the District Court and concurred in by the Appellate Court. This Court has many times held that it will not consider questions which are theoretical or do not arise on the record (*Tyrrell* v. *District of Columbia*, 243 U. S. 1 (1917), *Allen-Bradley Local* v. *Wisconsin Employment Relations Board et al.*, 315 U. S. 740, 746 (1942).

For example, in their first question petitioners assert as fact that the applicants for patent had "deliberately omitted" a procedure "which admittedly will 'tremendously increase the yield' of the product and improve the quality". It is these "facts" they say which raise a question justifying the Court's attention. That such "facts" are merely erroneous inferences, expressly repudiated by the Courts below, will be readily seen from the record.

As to the alleged deliberate omission, the District Court held specifically that there had been no such deliberate omission. On the contrary, the District Court found:

> "The inventors disclosed all of what they believed to be the essentials of their process. There was no

fraudulent withholding of information." (Finding of Fact No. 14, Ct. Dec. 10).

With regard to the annealing which petitioners state is so essential, the fact of the matter, as found by the District Court, is:

> "But it [annealing] is not essential and, indeed, at the time of applying for patent was not determined to be a preferable procedure." (Finding of Fact No. 15, Ct. Dec. 10).

As to the process in general, the District Court found:

> "The description of the process in the patent in suit can be used successfully • • • to produce synthetic star rubies and sapphires of gem quality." (Finding of Fact No. 13, Ct. Dec. 9).

That is to say, the description of the process in the patent is sufficient for one skilled in the art to make salable star stones. The District Court went even further than this, stating in its Opinion:

> "The conclusion, therefore, is reached • • • that the teachings of the patent are sufficient • • • to produce asterism • • • and that a profitable percentage of the product will be of gem quality." (Ct. Dec. 4).

It is not without significance that the same "facts", on which petitioners base their first question, were presented to the District Court in almost identical wording, in the form of proposed findings which were considered by the Court and rejected (R. 1791, 1792).

Aside from loading the questions with facts rejected by the District Court, the petitioners have taken the further liberty in question No. 1 of making a direct quotation from one of the witnesses, but with the context altered. The witness did not refer to "yield of the product" but to "yield of stones per boule", which is something quite

different (R. 113), since it does not take into account size and other factors. The only significant factor is the yield per dollar of cost. Since the annealing procedure, which is alleged to have been "deliberately omitted", is an extremely expensive one[5], it is not surprising that petitioners have phrased their question in terms of a side issue.

Most important of all, petitioners have neglected to point out that the quoted statement was not made with reference to the time that the application was filed, but to a time more than three years later. The fact is that at the time of applying for a patent, as specifically found by the District Court, annealing "was not determined to be a preferable procedure" (Finding of Fact No. 15, Ct. Dec. 10).

The second question of petitioners is similarly baseless. This question is premised on an alleged concession; petitioners state flatly:

> "When applicants for a patent * * * concede that they have deliberately omitted from their disclosure * * * a procedure which they admit must be used commercially * * * and must use in order to make money, is the disclosure sufficient?"

The applicants have not conceded or admitted anything of the sort.

Upon what, then, is such an assertion based? If it is assumed that petitioners did not intend deliberately to mislead the Court, then the only possible basis for such a statement is to be found in inferences drawn from fragmentary quotations taken out of context and misapplied in both time and substance. Inference cannot be substi-

[5] Mrs. Hugle testified that annealing was an expensive step, costing seven hundred dollars for a single run for gas alone (R. 1301).

tuted for fact. The things petitioners say are "conceded" and "admitted" are directly contrary to the Findings of Fact.

With regard to the "deliberate omission", the Court found that "The inventors disclosed all * * * There was no fraudulent withholding" (Finding of Fact No. 14, Ct. Dec. 10). Much less was there any deliberate omission of procedure which "must be used commercially" or which must be used "in order to make money". On this the District Court held:

> "The description of the process in the patent in suit can be used successfully * * * to produce synthetic star rubies and sapphires of gem quality * * *" (Finding of Fact No. 13, Ct. Dec. 9).

The District Court further held:

> "* * * the teachings of the patent are sufficient * * * a profitable percentage of the product will be of gem quality." (Ct. Dec. 5).

As to the allegations in the second question regarding trade secrecy, it has been previously mentioned herein that the trade secrecy counts are in nowise inconsistent with the bringing of the action for patent infringement being based upon the fact that the petitioner Hugle up to the time of the infringing activity and before the issuance of the patent was employed by respondent as plant chemist (Finding of Fact No. 16, Ct. Dec. 10) and was thereby able to practice the teaching of the patent before it was published. *Schreyer et al.* v. *Casco Products Corp., et al.*, 190 F. (2d) 921 (C. A. 2nd 1951).

Since the second question presented by petitioners depends for its very existence on factual assumptions contrary to the Findings of Fact of the District Court, it is not one which this Court is called upon to answer.

The third question presented to this Court by petitioners is dependent on its face upon the first and second questions and is equally ill founded. The question is additionally defective because it assumes the existence of trade secrets "essential to commercial operations". The fact of the matter is that there has been no omission of an element essential to commercial operations. The Trial Court specifically held that the inventors "disclosed all" (Finding of Fact No. 14, Ct. Dec. 10), that "the description of the process in the patent can be used successfully" (Finding of Fact No. 13, Ct. Dec. 9), and that using the teachings of the patent "a profitable percentage of the product will be of gem quality" (Ct. Dec. 5). As stated by the Appellate Court, "• • • the patentees disclosed 'the whole truth relative to their invention'" (Ct. Dec. 22). How, then, can the enforceability of the patent be seriously questioned?

The last question presented by petitioners relates to infringement. Again the petitioners have premised the question on assertions not founded on fact. First of all, it is noted that petitioners state in substance that all they do is use an admittedly old procedure. This is assuredly not all they do. They use precisely the proportion of titania and alumina specified in the patent, namely, 0.1 to 0.3% (Finding of Fact No. 20, Ct. Dec. 11) together with treatment by heat within the range described by the patent in order to obtain a product that had never been produced prior to the present invention: synthetic star stones. (Findings of Fact No. 18, 21, Ct. Dec. 10, 11).

Having used the teachings of the patent to produce this admittedly new product, petitioners have the temerity to deny infringement.

Petitioners' present argument that the infringing composition is "recommended but not specified as critical in the disclosure" is a mere play on words. The narrow percentage range of titania is set forth in the patent specification definitely and positively: "For best results the alumina powder * * * should contain at least 0.1% and not more than 0.3% of TiO_2" (Patent in suit, col. 2, l. 50). Is this not specific? And claim 5, for example, refers to titania in this narrow range as an "essential ingredient" (Patent in suit, col. 4, l. 21).

When the question is "unloaded" of its erroneous assumptions, it will be seen that no question at all remains except the one question of fact, namely, "Is infringement present?" The District Court held that it was, and made specific findings on the point. The Appellate Court confirmed that it was.

Perhaps petitioners intend to use the issue of infringement as an indirect attack on patentability and invention. However, the presence of patentable invention is too well established to admit of any question (Findings of Fact Nos. 3, 4, 6 and 10) and is adequately covered elsewhere in this brief.

In whatever aspect considered, the fourth question depends for its existence on factual assumptions contrary to the Findings of Fact of the District Court and cannot properly be considered.

II.

PETITIONERS SEEK A TRIAL DE NOVO IN THIS COURT ON THE ISSUES OF ADEQUACY OF DISCLOSURE AND INFRINGEMENT.

THESE ISSUES ARE THE SUBJECT OF DISPOSITIVE FINDINGS BY THE COURTS BELOW.

The questions presented by petitioners (Pet., p. 2) are premised on assertions and contentions of fact contained only in the Petition itself. The petitioners make no reference in their Statement to any of the Findings of Fact made by the Courts below and make only one reference to the Findings (No. 28) in their entire petition. They treat the case an an action *de novo* in this Court on the issues of disclosure and infringement. The only indication in the Statement that there was a trial below is the reference to the Court of Appeals' opinion affirming the holding of infringement (Pet., p. 4).

In summarizing their assertions of what the evidence shows, petitioners state:

> "There are plainly vital omissions from respondent's patent, essential to commercial success, even if it be assumed (contrary to our contention) that the process will barely succeed in producing stones with a star in them. * * * These two techniques [annealing and 90° orientation] are, in fact, the gist of respondent's discovery." (Pet., p. 9).

This contention in slightly reworded form appears on page 4 of the Petition, where it is questioned:

> "* * * how a novel product could be produced by the application of the old process to an old composition of matter. The answer, we contend, lies in a com-

pletely insufficient disclosure with relation to the process".

These contentions were considered by both Courts below. They were resolved by concurrent Findings of both Courts contrary to petitioners' position. Specific Findings of Fact concluded the dispute below (Findings of Fact Nos. 13, 14 and 15, Ct. Dec. 9, 10). For this Court, the question is whether or not the concurrent Findings of the Courts below are clearly erroneous. *Graver Mfg. Co.* v. *Linde Air Products Co.*, 336 U. S. 271, 275. (Rule 52(a), F. R. C. P.).

The Courts below were not misled as to the teachings of the patent and the scope of the claimed process. They rejected the contention that the "gist" of the invention was in annealing and 90° orientation. Quite to the contrary the Court of Appeals said:

> "* * * we think it took invention of a high order to discover the critical amounts of titania to be used, to determine that reheating would result in the precipitation of titania, and to ascertain the critical limits in time and temperature for the reheating." (Ct. of Appeals, Ct. Dec. 16).

Each of these elements of the invention as viewed by the Court of Appeals is taught in the patent, and is claimed.

The District Court made a specific Finding as to the substance of the invention as covered in the patent specification and claims for producing synthetic star stones (Finding of Fact No. 11, Ct. Dec. 9). Patentability was predicated on this Finding—not on the use of annealing and 90° orientation (Dist. Ct., Ct. Dec. 3).

The novelty or "gist" of the invention is not, as petitioners contend, in extrinsic procedures, but in the disclosed and claimed process of the patent. While petitioners' question of how a novel product can be made

by application of an old process to an old composition of matter may be an interesting question of fact in another case, it is not an issue here. The petitioners' statement of the process is not in accordance with the facts of this case.

Petitioners' assertion that "There are plainly vital omissions from respondent's patent, essential to commercial success * * *" is wrong. The District Court stated:

> "The conclusion, therefore, is reached * * * that the teachings of the patent are sufficient to enable one skilled in the art of boule growing under the Verneuil procedure * * * to produce asterism in these gems * * *, and that a profitable percentage of the product will be of gem quality." (Ct. Dec. 4-5).

This conclusion of the District Court is recorded in Finding of Fact No. 13. The Court of Appeals agreed with the District Court, saying:

> "The finding that the description of the process in the patent is sufficient to enable a person skilled in the art to grow star rubies and sapphires successfully is supported by adequate evidence and should be sustained." (Ct. Dec. 20-21).

The Courts below reached these conclusions after studying the testimony of petitioners' and respondent's experts in the field, and of some ten workers in the production of synthetic stones presented by both sides. Blackboard sketches, physical models, motion pictures, photographs, charts and data sheets were also presented at the trial for the instruction of the Court.

The substance of the record on the issue of adequacy of the disclosure is simply as follows: The steps of the patent are correctly stated and are essential. Petition-

ers' witnesses testified they could not make the synthetic star stones of worthwhile quality without adding the steps of annealing and orientation control. They explained their failure in terms of a thin skin of precipitated titania. Respondent's witnesses testified they could and did make salable star stones with no more than the patent teachings. They testified that petitioners' explanation of failure was inaccurate, primarily because the precipitated titania was not as thin or localized as petitioners assumed.

The District Court believed respondent's witnesses, and resolved the conflicting testimony in respondent's favor. The Court of Appeals found that over 1,800 pages of written record of the trial and the over 200 exhibits amply supported the District Court's conclusion.

Annealing and 90° orientation of the boules are improvements on the basic process. They were known in the art in August of 1947 when the patent application was filed. Petitioners assert in their Statement that the importance of annealing and 90° orientation were known to the patentees at the time of filing the application for patent (Pet. p. 9-10). The records quoted incompletely by petitioners show that the patentees considered the use of annealing and 90° orientation control, and did make star stones using them. What petitioners' incomplete quotations do not show is that at the time the application was filed the patentees did not know of what importance annealing and 90° orientation would be. They knew the process would work without them. They knew these procedures were expensive. Whether or not they were commercially worthwhile was then undetermined.

Petitioners now say the patentees, Burdick and Glenn, did know the more profitable commercial production available with annealing and 90° orientation; and that they

concealed this for the benefit of respondent. The Courts below found that the evidence did not support this position.

> "14. The inventors disclosed all of what they believed to be the essentials of their process. There was no fraudulent withholding of information." (Finding of Fact No. 14, Ct. Dec. 10).

Indeed, Burdick was directly confronted with petitioners' charge, and under oath testified:

> "Q. Mr. Burdick, you have been accused of fraud and withholding information and various other things of that kind in connection with your patent in suit. So far as you know, is there any information essential to the practice of your invention which is not in the patent?
>
> "A. No. At the time I signed the patent application I felt that it disclosed all the essential points. I still feel that way." (R. 1502-1503).

III.

THERE IS NO CONFLICT BETWEEN THE DECISIONS IN THIS CASE AND THE DECISIONS OF THIS COURT OR THE APPELLATE COURTS.

THE COURTS BELOW APPLIED THE CORRECT LAW.

The questions presented (No. 1-3) in the Petition are stated by petitioners to arise under R. S. 4888 (U. S. C. Tit. 35, § 33) and particularly that portion requiring the applicant for patent to file a written description of his invention "in such full, clear, concise and exact terms" as to enable any person skilled in the art to practice it (Pet., p. 10).

Petitioners' answer pleaded as defenses the language of R. S. 4888 quoted above, and also the language of R. S.

4920. The latter permits a defendant to plead that "for the purpose of deceiving the public, the description and specification filed by the patentees in the Patent Office was made to contain less than the whole truth relative to their alleged invention or discovery," which petitioners did (Petitioners' Answer, pars. 18(c), (d)).

Both courts below rejected these defenses. The District Court specifically did so by finding facts contrary to those needed to support these defenses. The Court of Appeals considered both separately, upholding the findings of the trial judge.

Petitioners point to the District Court decision in *Stelos Co.* v. *Hosiery Motor-Mend Corporation et al.*, 60 F. 2d 1009 (D. C., S. D., N. Y.), as being in conflict with the decision of this Court and the decision below of the Court of Appeals. Analysis of the *Stelos* case does not support petitioners' argument.

The *Stelos* case related to a patent claiming a method of repairing runs in knitted fabrics, such as silk stockings. The patentee had disclosed only a "porcelain dish" as a holder for supporting and stretching the fabric during repair. The District Court found that an "egg cup" was the preferred form of holder, and that "the egg cup • • • is one of the most important elements in the plaintiff's method." The District Court held that the plaintiff must fail if "he did know the preferred method of practicing his patent and failed to disclose it in his specification or in his method claim." (p. 1012).

This Court affirmed the District Court, 295 U. S. 237, after holding the "egg cup" to be an essential of the invention, saying at page 241:

> "He is upon the horns of a dilemma; he either discovered this form of holder and its virtues prior to the

application for this patent or he found it later. If the first supposition be correct, his application violated R. S. 4888; if the second, his patent does not cover the egg-cup holder."

This is exactly the law applied by the Court of Appeals in the present case; indeed, substantially the same words are used. Here the Court of Appeals said:

"Whether R. S. § 4888 or R. S. § 4920 is relied on is probably not of practical importance, for where the evidence is clear that the patentee omitted elements which he knew were important, fraud will be implied by the fact finder." (Ct. of Appeals, Ct. Dec. 21).

In view of this statement it is clear that the Court of Appeals would have found the patent invalid (just as this Court did in the *Stelos* case) if patentees, Burdick and Glenn, had known when they filed the application for patent that annealing and 90° orientation were the preferred procedures. The fact is that the patentees did not know them to be the preferred procedures (Finding of Fact No. 14, 15, Ct. Dec. 10, R. 115, 1504). The patentees were specifically found to have "disclosed all of what they believed to be the essentials of their process. There was no fraudulent withholding of information." (Finding of Fact No. 14, Ct. Dec. 10). "• • • the patentees disclosed the whole truth relative to [their] invention" (Ct. of Appeals, Ct. Dec. 22).

The *Stelos* case does not present a dilemma here, because the "egg cup" holder in that case was found to be "one of the most important elements of the invention". It was considered by this Court as "the only suitable holder". This is not true of annealing and 90° orientation. They were found not to be "essentials". (Findings

of Fact Nos. 13, 15, Ct. Dec. 9, 10; Dist. Ct., Ct. Dec. 4-5; Ct. of Appeals, Ct. Dec. 20). They are solely improvements when applied to the specific form of production developed by respondent. That they are nothing more is shown by their replacement to a large extent by even later improvements, *e. g.*, pressure variation (Pet., p. 8). The fact is established that the requirements and the teachings of the patent remain inviolate although particular production techniques may change.

The Court of Appeals decisions referred to by petitioners (Pet., p. 12) and as stated in the petition are in line with the *Stelos* case. One of them, *Rohm, et al.* v. *Martin Dennis Co.*, 263 Fed. 388 (C. C. A. 3rd, 1920) is from the same court which decided the present case. They offer no basis for conflict of decisions. Furthermore, the omitted elements in the patents there in issue were in each case essential to the operation of the disclosure to produce the claimed result. The facts of this case are different. Annealing and 90° orientation were found not essential.

Petitioners seek to show a conflict of the District Court opinion in the *Stelos* case (60 F. (2d) 1009) with a very early decision of this Court in *Sewall* v. *Jones*, 91 U. S. 171 (1875). In one sense, petitioners deny their own assertion noting that the *Sewall* case was decided on a different issue, namely, infringement. In any event, as applied to this case, the later pronouncement of this Court in *Stelos Co.* v. *Hosiery Motor-Mend Corp.*, 295 U. S. 237 (1935), and the adherence thereto by the courts below, are dispositive of the questions raised by petitioners.

IV.

THERE IS NO IMPORTANT QUESTION OF FEDERAL LAW INVOLVED.

This is a case in which the principal controversy is over factual issues. Respondent has shown in Point I that the questions presented require that this Court must assume facts contrary to those found by the Courts below, before the proferred issues of law can arise. In Point III it was shown that the Courts below did apply the law in accordance with the last pronouncement of this Court on the issue of adequacy of disclosure, and as petitioners here contend the law should be. Further argument in this case could only be on the question of whether or not the concurrent Findings of Fact of the Courts below are clearly erroneous. No more fitting a situation could arise than that presented here for the oft-applied rule of this Court in *Graver Mfg. Co.* v. *Linde Co.*, 336 U. S. 271, 275:

> "A court of law, such as this Court is, rather than a court for correction of errors in fact finding, cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error."

The patent itself is applicable to the limited field of ornamental jewelry, and more particularly to a single jewel, synthetic star ruby and sapphire. It involves the discovery and making of a gemstone not before known. It is a new gem in the jewelry trade. Its "sensational" character lies in the nature of its discovery; not in its importance to the industry of the nation. When gauged by the subject matter of *Marconi Wireless Company* v. *United States*, 320 U. S. 1, this case does not present an

invention of such broad economic import as to warrant consideration by this Court.

Question No. 3 presented by petitioners is but a rewording of Question No. 2, in terms of enforceability. It is subject to the same vice, based on the same assumptions contrary to the facts of record. A play on words cannot convert Question No. 3 into an important question as applied to this. The word "tying" as used in the authorities cited (Pet., p. 16) is used relative to tying materials and merchandise to the coattails of a patent. The proofs present no issue on "tying" of trade secrets. The Findings of Fact specifically rebut the assertion that when the application for patent was filed it was tied to any undisclosed procedures. The Courts below found that the teachings of the patent are sufficient for successful production of star stones by others when the patent expires. Fraud and withholding of information such as might raise a question of enforceability are specifically denied by the Findings of Fact (Finding of Fact No. 14, Ct. Dec. 10).

There is no new question of law raised by petitioners' Question No. 4. It is premised on the assertion that the synthetic star rubies and sapphires cannot be made by the disclosed process of the patent. This it has been shown is contrary to the concurrent findings of the Courts below. Thus Question No. 4, although couched in language of infringement, merely harks back to the basic contention of the preceding questions.

Petitioners' four questions are but devious paths inevitably converging at a common junction. Basically they have attacked only the sufficiency of the disclosure of the invention made by the patentees. The issue raised is one of fact. *Bank* v. *Rauland Corporation*, 146 F. (2d) 19, 22-23 (C. C. A. 7th, 1944). This Court has indicated that it is a court of law, and not one for correcting errors and findings of fact, particularly when concurrent and involv-

ing technical questions. *Graver Mfg. Co.* v. *Linde Co.*, 336 U. S. 271. Whatever immature questions are presented, they have not, we submit, achieved sufficient dignity in the context of this record to merit the consideration of this Court.

CONCLUSION.

For the foregoing reasons it is respectfully submitted that this Petition for a Writ of Certiorari should be denied.

Respectfully submitted,

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Union Carbide and Carbon Corporation

RICHARD L. VOIT
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Of Counsel.

May 20, 1952

APPENDIX.

ADDITIONAL ERRONEOUS STATEMENTS OF FACT IN THE PETITION.

The following are a few of the erroneous statements of fact contained in the petition but not specifically pointed out in the Statement of the Case:

PETITION, at page 3:

"This second cause of action was tried, but has not been passed upon".

BUT THE RECORD SHOWS:

Respondent reserved the right to present a rebuttal case on the second cause of action (R. 1277).

PETITION, at page 4:

"Petitioners are found to have infringed through employing a heating process which both Courts below explicitly held to be old".

BUT THE RECORD SHOWS:

Infringement was based on no such finding. As stated by the Court of Appeals: "Defendants infringed the patented process when they used the critical amount of titania * * *" (Ct. Dec. 24). The "heating process" referred to is the annealing step "which is in effect an improvement on the patent and no more" (Dist. Ct., Ct. Dec. 5). Infringement is spelled out in Findings of Fact Nos. 18-22; and does not depend upon Finding of Fact No. 28 (Ct. Dec. 10, 11, 12).

PETITION, at page 6:

"The difference between .3 of 1% and .5 of 1% is of no consequence."

BUT THE RECORD SHOWS:

That the patented range (0.1 to 0.3% of titania is "essential", "critical" (Finding of Fact No. 11, Ct. Dec. 9; Ct. of Appeals, Ct. Dec. 16).

PETITION, at page 6:

"In making star boules, it is essential to prevent them from splitting in half, although there is not a word in the patent to this effect."

BUT THE RECORD SHOWS:

Star stones can be made successfully from split boules (R. 1445, Pltf. Exh. 64). The patent refers to whole boules (Col. 3, line 9) and half boules (Col. 3, line 1). Annealing is not necessary— "• • • was not determined to be a preferable procedure" at time of filing (Finding of Fact No. 15, Ct. Dec. 10).

PETITION, at page 6:

"The patent prescribes that the stone must be so cut that its base is parallel to the C-axis."

BUT THE PATENT IN FACT STATES:

". . . a gemstone is cut en cabochon in such a way that the base of the gemstone is normal [that is, *perpendicular*] to the C-axis . . .". (Patent in suit, col. 3, line 25.)

PETITION, at page 7:

"Unless 90° orientation is obtained in a boule . . . the star is found to be incomplete and eccentrically located."

BUT THE RECORD SHOWS:

90° orientation is not necessary in order to produce salable star stones, nor necessarily preferred:

"Q. Could you tell us if you get the biggest complete star stones using orientation of 90° or of 60°?

"A. I would say that you could probably get the biggest stones by using 60°." (Burdick, R. 784.)

PETITION, at page 7:

"Respondent knew all about the importance of seeding because it had filed a patent application therefor long before filing for the patent in suit."

BUT THE RECORD SHOWS:

Respondent's prior application related to seeding for producing *rods*, and had nothing whatsoever to do with star stones (Dft. Exh. 100).

PETITION, at page 7:

"Despite their obvious importance, then well-known to respondent, the patent makes no mention of either the annealing or 90° orientation techniques."

BUT THE RECORD SHOWS:

Both annealing and orientation are old in the art (R. 954, 118). However at the time of applying for patent annealing was not determined to be a preferable procedure *in the manufacture of star stones* (Finding of Fact No. 15, Ct. Dec. 10); and orientation control at the time of filing was "of very questionable importance, very questionable" (R. 115).

PETITION, at page 8:

"When the sufficiency of its disclosure was questioned at the trial, respondent refused several formal offers of laboratory facilities . . . to demonstrate that its patent would work in producing star stones of gem quality."

BUT THE RECORD SHOWS:

There was no such refusal by respondent. The Court simply did not believe that further tests were necessary (R. 1047). When the matter was brought up again the Court stated:

"Maybe we will do that when we get all through here, unless I get cleared up on some points" (R. 1472).

PETITION, at page 8:

"Shortly prior to the trial, it [respondent] conducted some tests, using a very special type of burner . . .".

BUT THE RECORD SHOWS:

A special type of burner was not used.

". . . there is no difference in oxidation reduction conditions using the Linde burner . . ." (R. 1841). The burner used by respondent is old in the art (R. 1841).

"Mr. Voit: Your Honor, Mrs. Hugle testified that we had used a very special burner. We have shown here, out of Mr. Barnes' mouth and by means of his sketch, that they are the same.

• • •

"The Court: He said they used a regular burner. It may be a little different because there are twelve or more different designs, but the basic principle is all the same.

"Is that right?

"The Witness: That is right, yes.

"Mr. Voit: If that point has been made clear, your Honor, we are satisfied.

"The Court: It has." (R. 1860-1.)

PETITION, at page 8:

"The star stones obtained in this carefully rigged test were very poor specimens, cracked and obviously unsalable."

BUT THE RECORD SHOWS:

Complete records were kept on the growing of the test stones (R. 1448-1450). These records were supplied to petitioner. The assertion of "rigging" is groundless. The stones were made up strictly in accordance with the patent and without seeding or annealing (R. 1443, 1830, 1841).

"These stones are salable, they are desirable, . . . six-legged stars . . ." (R. 1445).

The expert testified that the stones are of "gem quality" and salable (R. 1814).

The expert further testified that they are comparable to the Linde early commercial production (R. 1815).

The stones which petitioners now depreciate were closely inspected by the District Court and referred to as "these beautiful stones" (R. 1454).

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IN THE

Supreme Court of the United States

OCTOBER TERM, 1951

No. 703

STUART LABORATORIES, INC. AND
WILLIAM B. HUGLE,

Petitioners,

against

UNION CARBIDE AND CARBON CORPORATION,

Respondent.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES
COURT OF APPEALS FOR THE THIRD CIRCUIT

REPLY TO BRIEF FOR RESPONDENT IN OPPOSITION

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May 26, 1952.

IN THE

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PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE THIRD CIRCUIT

REPLY TO BRIEF FOR RESPONDENT IN OPPOSITION

At pages 9 and 10 of our Petition, under the respective headings "Annealing" and "90° Orientation," we set forth carefully documented statements as to *respondent's admissions* and *admitted practices* with respect to these two techniques, mention of which is completely lacking from the patent. *These statements respondent does not even attempt to contravert.** It knows that they are correct.

* Respondent contents itself with trying to soften the effect of its employee Burdick's terribly damaging admission that annealing will "tremendously increase the yield" by contending that yield of the product (star-stones) differs from "yield of stones per boule", claiming that it does not take into account "size and other factors". This is sheer nonsense because the comparison is obviously being made between boules of the same size, and no other factors are specified. Moreover Burdick concluded by saying "and that's very important commercially" (Tr. 113).

Thus, we base our "Questions Presented" on an unshakable foundation of indisputable facts. These may be summarized as follows:

(1) Prior to the application for the patent in suit, respondent was thoroughly familiar with the advantages of both techniques, as applied to the manufacture of star stones;

(2) in the pre-application records of Burdick, one of the applicants, he advised in the clearest terms the use of annealing and 90° orientation;

(3) respondent took his advice, and in its commercial production consistently used the two techniques.

The first three Questions Presented are plainly of very large importance, not merely to the litigants here, but above all to the public. The basic question is whether an applicant for a patent is entitled to a 17-year monopoly when he has failed to disclose in his application the best process which he knows, but has grudgingly told the public only enough so that he can plausibily argue that the process will in some degree work, and may produce a small yield of a poor product. Constantly,* throughout its brief, the respondent refers to vaguely worded findings that the disclosed process will work "successfully," and produce a "profitable" yield of the product. We deny that it will work "successfully" or that it will produce any substantial yield of even a reasonably good product, but, for the purposes of this argument, we assume that it will barely work to produce some small yield of the obviously poor product shown in P. Ex. 64. It is certain that no more was proved, and indeed no more was claimed by respondent in

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* So heavily does respondent lean on these findings that between pages 7 and 28 it refers to the first one seven times, and the second one eight times.

presenting its proposed findings to the Court. The word "successfully", put in the District Court's mouth by the respondent, which adopted its proposed finding 13 *in haec verba*, is clearly ambiguous in so far as the Questions Presented are concerned, for it is entirely consistent with the hypothesis that the process will barely work, although totally inadequate commercially. The finding that a "profitable" yield could be obtained by the process is pulled out of thin air. Even the respondent was not presumptuous enough to request such a finding. It knew that it had never used the process of the patent commercially, and that there was no evidence to support such a finding. It derives from the trial court's misunderstanding of the case, and counsel has refrained from citing any record references to support it. Even, however, were this finding supported, it would not in the least affect our contention that the best and most commercially feasible process known at the time of the application was not disclosed. Some profit is a long way from the best profit known to be obtainable. Applicants could play at ducks and drakes with the public and obtain a monopoly without giving therefor the consideration enabling the public to effectively compete with them, if the last-mentioned were not the requirement.

No careful scrutiny of the record needs to be made to realize that what the respondent has done in this case is to divide its alleged discoveries into two parts, one of which parts it places at the disposal of the public by applying for a patent and obtaining a monopoly, and the other of which it compartmentalizes by claiming trade secrets (*e.g.*, 90° orientation) or omitting from the patent application important elements incapable of being claimed as trade secrets (*e.g.*, annealing). The whole basis for respondent's claim that the former matters are or were trade secrets is that they improve the commercial efficiency of the process disclosed in the patent.

In so many words, respondent (Brief in Opposition, page 22) makes the following highly significant admissions:

> *"Annealing and 90° orientation of the boules are improvements on the basic process. They were known in the art in 1947 when the patent application was filed".* (Emphasis ours.)

The admissions in and of themselves provide the factual basis for our Questions Presented.

On September 21, 1943, Barnes, an employee of the respondent, filed an application for a patent entitled "Synthetic Gem Production", disclosing and claiming in great detail the use of seeding or orientation. This application is still pending (D. Ex. 99). On September 29, 1944, Blaisdell, an employee of respondent, filed an application for a patent entitled "Annealing Single Cystals of Synthetic Corundum". This application has been abandoned (D. Ex. 100). A perusal of these applications will clearly show that respondent was intimately familiar, before the application for the patent in suit was filed, with the advantages of seeding or orientation and annealing techniques as applied to synthetic gem stones. Indeed, in its formal admissions, respondent claimed that it alone had knowledge of the latter technique (Tr. 1532).

Nevertheless, it denies that it fully appreciated the importance of orientation and annealing as applied to the production of star stones in August 1947. We have never, however, been informed at what time between that date and the date of the trial that full importance dawned upon respondent, the obvious reason being that it knew it all along.

Respondent's basic claim in its brief is that we are attempting to obtain a trial *de novo* here on questions of fact, and that no questions of law are presented. Nothing could be further from the fact. The uncontroverted citations of

the record on pages 9 and 10 of our Petition, under the headings "Annealing" and "Orientation", it should be carefully noted, consist entirely of admissions of respondent's employees, either in the form of testimony at the trial or in the form of exhibits containing admissions by them as to their knowledge of the importance of annealing or orientation prior to the application for the patent in suit.

Respondent's entire opposition here consists of an attempt to weaken the force of these indisputable and uncontroverted admissions by reference to argumentative testimony at the trial couched in relative and subjective terms, of one of these same employee witnesses (Burdick) and findings of fact exclusively based thereon. Constantly,* we read in its brief that annealing at the time of applying for the patent in suit was not determined to be "a preferable procedure", or that orientation was then "of very reasonable importance". No finding, however, was made as to orientation. Indeed, the trial court adopted finding No. 15 submitted by respondent *in haec verba*, except that it eliminated the part having to do with orientation.

In other words, one of the applicants for the patent (Burdick), who has been accused of a fraud on the Patent Office, in that he omitted from his application procedures known by him to be highly advantageous (to which effect he had clearly committed himself in writing at the time), and whose company has continuously used such procedures commercially since prior to the time he applied for a patent, attempts to laugh off these completely damning admissions and practices by such claims as to *his then*

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* No less than ten times does respondent lean on this evidence between page 8 and page 25. Obviously, it has nothing else to lean on besides this evidence and the findings previously discussed, which are harped on in like manner.

mental attitude, relatively expressed, as "not then determined to be a preferable procedure" and "of questionable importance at the time". This is respondent's entire case in respect to the questions here presented.

Obviously such findings relied upon by respondent are based upon wholly unsubstantial evidence which cannot detract in the least from its own clear admissions and commercial practice. There is no conflict between substantial evidence given by one side and substantial evidence given by the other, which this Court needs to resolve, and questions of law are clearly presented. Indeed, on cross-examination, Burdick even watered down the wholly unsubstantial testimony he had previously given when he said with respect to the importance of annealing at the time of the application for the patent in suit (Tr. 116) "I would say that there would still be *some question* of whether the final process would include annealing. There could still be *some question* at that time". This is like letting a defendant in a murder trial testify that he has reasonable doubt of his own guilt and accepting such evidence in preference to admissions contained in letters he wrote that he committed the murder. Thus, we have wholly unsubstantial testimony attenuated to the nth degree, and defendant's whole argument here is based upon this testimony. Obviously these findings of fact of the District Court, accepted without serious discussion by the Court of Appeals, are clearly erroneous.

Respondent argues that at the time of the application in suit, it "knew these procedures were expensive" (Brief, page 22), referring to annealing and orientation. There is no evidence that orientation is expensive, and in fact it is not. The argument with respect to annealing is that the public is not entitled to know of a vitally important procedure because it may be too expensive. A pretty conclusive answer to this last is that it was not so expensive that

both respondent and petitioners did not find it advisable to regularly use it commercially. Another is that members of the public may not be deprived of the right to exercise their judgment as to the advisability of using it. Just conceivably, they might reach the same conclusion as did both respondent and petitioners, the former prior to application for the patent in suit.

While we do not rely in support of our petition upon anything but respondent's admissions and admitted commercial practice, the Court may desire to inspect the plastic models offered by us in evidence, which clearly show the indisputable geometrical reasons dictating the use of orientation and annealing in the making of star boules (D. Exs. 31, 34, 43, 44 and 40). The District Court discarded these models, saying (Court Decisions, page 5):

"Each of these devices seems to be predicated upon the idea that boules will always split along the same plane, and the skin is uniformly exceedingly thin. The fact is, however, that they do not always split along the same plane, and the skin may be of varying thickness". The first fact thus found is completely contrary to the crystallographic law fully recognized in Plaintiff's Ex. 73, at page 513 and in respondent's application for an annealing patent (D. Ex. 100; page 4, original application; page 6, amendment of October 27, 1945; page 2, amendment of May 28, 1947). This is like finding against the law of gravity. In any event the important thing is that they split, not where they split. As to the second fact found, the disclosure of the patent specifies a star boule having a skin. (Col. 3, lines 10-22), which must be placed in the base or crown of the stone (Col. 3, lines 23-31). That the skin may not be absolutely uniform in thickness does not in the least affect the validity of the models. It is the existence of the skin which is of importance, not its precise thickness. Since the only reasons for discarding the

models are wholly untenable, we do not hesitate to suggest that the Court examine them for light on these critical matters.

Respondent quibbles (Brief, pages 14-15) concerning an alleged difference between "yield of stones per boule" and yield of the product. There is no difference. Its witness, Burdick, was in no such doubt when he testified (Tr. 113) "In other words, unannealed, you might get one stone per boule; and annealed it is possible to get as many as six; *and that's very important commercially*". (Emphasis ours).

Although we have not raised the question of invention, we by no means concede it. Without 90° orientation and annealing there is plainly no invention. These were the things which enabled salable star stones to be made. Not having the money to print the record or the long briefs which a discussion of the question of invention would entail, we have foregone raising the question. To say that something is novel, is, of course, not to say that it is inventive. Indeed, we feel that the indiscriminate upholding by the District Court of all 19 claims and the finding of them all infringed clearly suggests the lack of close attention given to these matters. The two claims cited as typical are anything but typical.

Finally, we would like to point out that the questions here raised are not confined in their importance to the mere validity of a patent for an ornament. They involve the vitally important question of the relationship between secret know-how and patent disclosures. We earnestly believe that this case, on the uncontroverted admissions and practices of respondent, presents a clear-cut opportunity to advise applicants for patents that they must give to the public the best which they have, in order to obtain the highly prized 17-year monopoly which a patent gives. The Patent Office records will show that respondent owns a

very great number of process patents. No one can realize better than it, that the questions raised go far beyond its star stone ornament patent, or be more fearful about having them authoritatively decided.

Conclusion

It is respectfully prayed that this petition for a writ of certiorari be granted.

Dated: May 26, 1952.

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No. 703. STUART LABORATORIES, INC. ET AL. *v.* UNION CARBIDE & CARBON CORP. C. A. 3d Cir. Certiorari denied. *Thomas Turner Cooke* for petitioners. *Richard Russell Wolfe* for respondent. Reported below: 194 F. 2d 823.